## **VIRGILIO & BEATRICE MELECIO**

July 12, 2006

Federal Trade Commission/Office of the Secretary Room H-135 (Annex W) 600 Pennsylvania Avenue, N.W. Washington, D.C. 20580

Re: Business Opportunity Rule, R511993

To Whom It May Concern:

We have a multi-level marketing business with Quixtar as our servicing agent and we have been IBOs since 2002. Since becoming IBOs the extra money has enabled us to meet goals, one of them being paying off a car loan and lowering our overall debt. As an IBO, we meet prospects just by living our life doing our daily routines. Before we became IBOs, we were given more than enough information to make an informed decision and we offer all of our prospects that same information and more, as over time we have more information to give them. We are in support of the position that every prospect be given the proper information needed to made an educated and informed decision, but we are against certain provisions that would penalize honest IBOs and harm sponsoring efforts. Listed below are our concerns and the possible solution is underlined:

- 1. In the Quixtar opportunity, all prospects are informed that there is a full money-back guarantee, if they are not fully satisfied. We explain that (i) this is "not" a get-rich-quick scheme, (ii) there is hard work involved, and (iii) we cannot guarantee success. There should be no 7-day waiting period.
- 2. The issue of a "list of references" is an invasion of privacy. Even more so, it could give other IBOs the opportunity to register the prospect themselves, which would not be fair. Before prospects are registered, they are given many opportunities to meet and question other IBOs about the business and their experience. There should be no requirement to provide references.
- 3. If we have to give prospects a list of all lawsuits, etc., involving Quixtar and its IBOs where the plaintiff alleged fraud, misrepresentation, etc., this could give the wrong impression to prospects. Just the mention of lawsuits, etc. has a damaging connotation regardless to whether the accusation was true or not and could negatively affect prospects. Eliminate the requirement to disclose past litigation lists.
- 4. With respect to earnings disclosures, every prospect is shown exactly how the money is made. We currently list the amount that the average active IBO makes and feel that this is adequate. If disclosures are needed, they should be easily understood.
- 5. On occasion, as an incentive for IBOs to stretch to reach a goal, we have provided copies of checks we've received, but that has strictly been our choice. To be required to do so, is a privacy issue and we feel that we should not be required to disclose it, except to the FTC or similar agencies.

Thanks in advance for taking the time to read this letter.